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The internet's impact on integrated marketing communication

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Abstract

In recent years, important changes have had an impact on economic and social life. The Internet makes no exception, it provides a lot of opportunities, like interaction and customization, and it can be used by both consumers and organizations. Should not be overlooked the fact that organization is no longer the only source of information for consumers, Internet provides them an enormous potential of information and communication and the possibility of interaction with each other. The main objective of this article is to find an answer to the question: how can we integrate the Internet in organization's communication activities, so that we can obtain synergy?

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1. Introduction: advantages of Internet communication

In the past 20 years, the importance of using the Internet as competitive marketing tool has been recognized by many practitioners and scholars. Whether we are talking about small or large organizations, who compete on a local, regional or international basis, the Internet is the bridge between the organization and its stakeholders. In 1995 companies such as GE, IBM, Ford, Kraft, and Proctor & Gamble had registered "domain" names, meanwhile other marketers were just waiting to see advantages and disadvantages of using the Internet for their

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particular needs Herbig, 1997. Dutta, 1999 research looked at the ways commercial organizations were exploiting the Internet. Their results had indicated that most large corporations and multinationals are making little use of the Internet, treating it simply as a publishing medium. Traditional corporations were loath to take risks and were therefore vulnerable to flexible and fast-moving new entrants moving onto the Internet. Very few firms were actively using the Internet for launching new business models. It is now commonly accepted that the presence in the online environment is a necessity Kotler and Keller, 2008. Since 1969: Tugent, 1969; Kleinrock, 2003 was making known his vision of the Internet: “an invisible global infrastructure serving as a global nervous system for the peoples and processes of this planet”. In that release he described what the network would look like, and what would be a typical application:

“As of now, computer networks are still in their infancy, but as they grow up and become more sophisticated, we will probably see the spread of ‘computer utilities’ which, like present electric and telephone utilities, will service individual homes and offices across the country.”

His vision has five elements:

- The Internet technology will be everywhere.
- It will be always accessible.
- It will be always on.
- Anyone will be able to plug in from any location with any device at any time.
- It will be invisible.

However, Kleinrock, 2010 did not foresee the powerful social networking side of the Internet and its rapidly growing impact on our society. Online social networking websites such as Facebook have created a new generation of entrepreneurs, allowing their businesses to be set up and be promoted with a very low cost. On the one hand social networking websites help entrepreneurs to connect with one another, and on the other hand they help in connecting with prospects and customers, a very unique platform to gain competitive advantage Henari and Indrupati, 2012. Romania is one of the country where the development of Internet had a major impact. The romanian online environment is characterized by an increasing number of users. The Internet provides them a wider potential for interactivity, communication and information. According to data from the six providers of Internet services to mobile points (Cosmote Romanian Mobile Telecommunications S.A., Orange Romania S.A., RCS & RDS S.A., S.C. Romtelecom S.A, Telemobil S.A. and Vodafone Romania S.A.), the total number of connections reaches 7.47 million at the end of 2011, an increase of approx. 60 percent from the previous year. On the other hand, the number of connections for broadband Internet access provided at fixed locations reached 3.26 million in the second half of 2011, up 8.66 percent from the previous year. The number of subscribers-individuals experienced an upward trend, reaching 2.95 million. The number of connections of subscribers-businesses has increased slightly, but this may not exceed 0.33 million in the first half of 2010 ANCOM, 2012.

2. Integrated marketing communication

The first formal conceptualization of integrated marketing communication (IMC) was introduced in Northwestern University in 1989. According to Schultz and Kitchen Schultz et al, 1993, this definition was used in a survey conducted in 1991 by Northwestern University in cooperation with the American Association of Advertising Agencies (4As) and the Association of National Advertisers in the United States. The conceptual definition of IMC used in this research was: “IMC is a concept of marketing communications planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communications disciplines (for example, general advertising, direct response, sales promotion, and public relations) and combines these disciplines to provide clarity, consistency, and maximum communications impact”. The concept of IMC first entered the scene as a requirement of marketing communication, through the text *Integrated marketing communication: Pulling it together and making it work* Schultz et al, 2004. Schultz

and Schultz defined IMC as “a strategic business process used to plan, develop, execute, and evaluate coordinated, measurable, persuasive brand communication programs over time with consumers, prospects, and other targeted, relevant external and internal audiences”. Their conceptualization and description of IMC captures the true nature of the phenomenon, based on the previous studies and the experiences of organizations that have implemented the IMC approach.

There are three factors that have brought to the fore integrated marketing communication:

- Development and use of digital technologies in all fields
- The use of trademarks as the most important tool for *differentiating* the company's product from competitors
- Business globalization

The concept of IMC has its roots in the 1980s, when U.S. companies were divided into departments that operated as a unique profit centre. But integrating business activities was questioned shortly after the Second World War in Europe and Japan, not in the United States. In an economy that was to become global, it was necessary for organizations to compete across borders and geographical, cultural and internal boundaries. As perceived by both the professional and academic communities, integration was essentially all about tactical coordination – that is, making sure the same corporate colors were used in all communication, the logos were correct and correctly placed, the aural elements of the brand were properly aligned and so on. All of this was internally focused, reflecting what practitioners wanted to deliver or hoped to deliver to audiences whoever and wherever they might be Schultz et al, 2009a. In implementing the concept of IMC, it is a true challenge for the communicator to understand, explain or manage the perceived synergy between various communication alternatives. It is obviously that today no marketing communication campaign consists of only one communication element, that is, advertising or public relations or sales promotion or other communication tool. Historically, all the elements have been considered separately, planned and developed separately and then implemented and measured separately. There is a need for some measure of synergy or the combined effect of the elements being used. Understanding how various communication activities work together or in combination is still one of the most critical issues facing IMC Kitchen et al, 2009. Connecting objectives and messages across multiple media vehicles was a start point in IMC. But the number of vehicles that become available is increasing, so connecting across them becomes more challenging. A solution suggested by Mulhern, 2009 is using a set of axioms about relevance, exposure, timing, behavioral response and other precepts of media planning. But the digital media consumption is new and constantly changing because of technology and usage protocols, so that axioms are not well developed. On this condition, it is necessary to develop the next generation of media planning tools.

3. Concepts involved in online integrated marketing communication

There are many ways in which Internet use may be combined with other elements of marketing mix, so that new technological capabilities are enhancing established operations rather than replacing them Haris and Cohen, 2003. Thus, we can sponsor events to raise awareness about online websites, we can use e-mail to answer a question or complaint made in another environment or to confirm an order released via another channel of communication. Also, we can use a website as a contact point for the application of a promotional offer or to provide customers and other stakeholders more information about the organization and products / services it offers. Hoffman and Novak, 1997 proposed that the web is a virtual, many-to-many hypermedia environment incorporating interactivity with both people and consumers. For the performance of a website to be appreciated by users, it must be attractive and easy to use. Also the organization's homepage must be kept up-to-date to make available the most recent information about the organization Herbig, 1997. Information can be updated and expanded at relatively low cost, enabling availability of real-time information. Thus, there are several factors that influence these performance Kotler and Keller, 2008:

- quickly download;
- the first page is easy to understand;
- visitor is able to easily switch to other pages that open quickly;
- pages are not overly crowded with materials;
- letter type and size make it easy to read text;
- color and sound

Viewed through the prism of his dual role, as a driver of change and provider of tools for change Haris and Cohen, 2003, the Internet radically change the characteristics of mass communication:

- If ever was a passive audience that does not control the messages sent, in our days consumer controls much of the communication acceptance over which media and media forms they consume Kitchen et al, 2009.
- Consumers in the new interactive marketplace are no longer passive targets for marketing propositions.
- Organisations broadcast information to incalculable numbers of audiences. Although the potential audience is global and undifferentiated, once contact has been made may be individually identified and targeted.
- The Internet allows information exchange in both directions, which is reflected by advantages such as customization of messages, the possibility of obtaining an immediate response Orzan and Orzan, 2007.

We notice that in an online environment consumer behavior has changed Gurau, 2008, because:

- In mass communication we use a push-based technique, in which the information is broadcast to a large number of audiences, but the Internet allows information exchange in both directions. In this case, the organization has the opportunity to address an incalculable numbers of audiences, even customize messages and receive an answer in a short time
- There is a connection between consumers, they can communicate with each other via online communities, social networking sites, online referral programs, product reviews, and blogs, that allow word-of-mouth to spread faster and farther than in the past Trusov, 2009.
- Organization is not the only source of information, as the consumers have easy access to multiple information sources through the Internet
- Consumers no longer accept every message a communicator wants to push to them, they rather pull the information that suits their interests and needs.

Numerous studies Arnott and Bridgewater, 2002; Waters and Lemanski, 2011 have revealed that organisations are not using strategic communication that aligns with the theories put forth by scholars designed to explain behaviours and patterns. So smaller firms are using significantly fewer Internet tools of any type than their larger counterparts and that use of the Internet's interactive potential is relatively low across both type of firms. The main use of the Internet is for informational purposes. In general, organisation have a web site that serves as a virtual brochure. Some authors consider that the online environment has implications for integrated marketing communications, with particular emphasis on elements such as understanding consumer needs and behaviour, use of customer databases, integrated media channels and the communication with stakeholders Mulhern, 2009. As some authors claim Arnott and Bridgewater, 2002, Internet opened up a "marketplace" characterized by:

- shared
- real-time
- global
- open

On this condition, it is necessary to outline the following characteristics of Internet that have influence over marketing communication Arnott and Bridgewater, 2002:

- *Availability 24/24, 7/7.* The essential nature of the Internet is that anyone can view communication, at any time, and in any location. In addition, this availability is a major advantage for customers because they do not depend on a particular program. They are able to use the Internet whenever they want.

- *Interactivity.* The Internet offers the ability to search and quickly locate information that customers need. The interactive nature of the Internet means that in a number of contexts messages need to be communicated through dialog instead of being broadcast. As Seth Godin, 1999 suggested, “the Internet is the greatest direct mail medium of all time, and the low cost of frequent interaction makes it ideal for Permission Marketing.” Seth Godin presented his concept of *Permission Marketing*, which “encourages consumers to participate in a long-term, interactive marketing campaign in which they are rewarded in some way for paying attention to increasingly relevant messages”.
- *Time and global accessibility.* Information is disseminated in real time and is accessible anywhere in the world, thus surpassing the barriers of time and space. This allows it to be transferred across the country or around the world in a matter of seconds.
- Internet media provides *full support for multimedia applications*; it can provide pictures and text as well as sound and video. The Internet offers capabilities similar to those of newspapers (text and graphics), radio (sound), and TV (video) in one single package Ainscough, 1996.
- *Interaction.* The Internet offers the possibility to establish a permanent dialogue between the organization and its partners, and the exchange of information can be made in both directions.

The term *viral marketing* is credited to venture capitalists Juverton and Draper, 1997 who used viral to describe the marketing techniques behind Hotmail’s growth in 1996: “The Hotmail adoption pattern is that of a virus - with spatial and network locality. People typically send e-mails to their associates and friends; many of them are geographically close, and others are scattered around with clusters in areas of high Internet connectivity. We would notice the first user from a university town or from India, and then the number of subscribers from that region would rapidly proliferate. The beauty of it is that none of this required any marketing dollars. Customers do the selling.” The catalyst for success was the promotional tag on each outgoing email, which turned subscribers into company salespeople who took the message to their own word-of-mouth networks. Thus, the viral message spread organically with spatial and network locality, much like a virus, and garnered 12 million subscribers in 18 month for less than \$500 000. Since then, viral campaigns have become increasingly popular.

Similar to other marketing tools, viral marketing has unique benefits and disadvantages. Viral marketing disadvantages include the following Gay et al, 2007:

- reduced control of the marketer, as a viral campaign relies on consumers to spread it
- increased reliance on consumers’ motivation to spread the message for campaign success
- increased risk of negative reactions as viral ads may become too unconventional

On the other hand, Internet joins traditional viral marketing methods, so it is possible to measure results. Any message sent via Internet leaves a digital trace that can be analyzed, that in many cases those who have participated in some campaigns can be identified and selected for other marketing activities.

4. Conclusion

This article has discussed a range of strategic and tactical perspectives on the changed natures of marketing communications in the Internet era. The Internet is the medium that allows people to communicate not only easier, but also allows the sender to communicate with an enormous number of people at the same time. To send a message we can use the e-mail and World Wide Web. Thus, by e-mail, the sender is able to send messages to all people from the mailing list just a few clicks and the message is received almost instantaneously. Online marketing communications should not be regarded as the most important and the only way to communicate the organization’s messages. It requires an integrated approach in terms of marketing communications, with particular emphasis on elements such as understanding consumer needs and behavior, use databases customers, integrated media and communication with stakeholders. The concept of integrated marketing communication is at its beginning, as difficulties are encountered in adoption and implementation of

it: from teaching in Institution of Higher Education Edmiston-Strasser, 2009, training of specialists in communication, and not least, the place it occupies in the overall activity of an organization. The practitioners have to understand thoroughly the role of information and communication technologies, become aware of their strengths and weaknesses, and the marketing objectives that can be reached by means of the new online tools.

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